

## **BRAZIL EXPANDS CASH TRANSFER PROGRAM**

***New measures for Brazil's "Bolsa Familia" brings 1.2 million new children under the program***

**BRASÍLIA (19 September 2011)** - Brazil's Minister of Social Development Tereza Campello today announced three new measures set forth by the federal government to enhance the country's "Bolsa Família" (Family Grant) cash transfer program. The new measures include an increased focus on the children served by the program; the guarantee of a steady income to those living in extreme poverty; and the option for those who voluntarily withdraw from the program to return within 36 months.

According to Minister Campello, the new measures, which are part of Brazil's flagship Poverty Alleviation Plan ("Plano Brasil Sem Miséria"), have resulted in an immediate positive impact on Brazil's overall social development. "The Bolsa Familia program has been running for eight years, so the new measures have immediate implementation, and will promote the improved quality of life and well-being for the poorest families," she said.

### **Focus on Children**

Data from Brazil's 2010 Census showed that of the 16.2 million Brazilians living in extreme poverty, 40 percent are under the age of 14 years. To address this concern, the Bolsa Familia program has expanded to benefit five children per family (the previous limit was three children). With this expansion, more than 1.2 million children have been added to the program, totaling 22.6 million beneficiaries in this age group. In April 2011, the federal government updated the program's benefits, with an overall average value increase of 19.4 percent; and an average value increase for children of 45.5 percent.

In addition to children up to the age of 15 years, each family can receive benefits for up to two teenagers aged 16 and 17. As a result, the maximum value of benefits per household rises from approximately US\$ 143.2 (R\$ 242) to US\$ 181.1 (R\$ 306). The average benefit per household is approximately US\$ 70.4 (R\$ 119), and the minimum is US\$ 18.9 (R\$ 32).

### **Identifying Qualified Families**

As part of Brazil's Poverty Alleviation Plan, the Bolsa Familia program updated its strategy of actively identifying qualified families, with 180,000 new families identified as a result of the new measures. The goal is to include 320,000 families by the end of 2011; and 480,000 new families by the end of 2013, with a total 800,000 families. To date, the number of individuals in the program has reached 13.18 million.

"The inclusion of 800,000 families will fulfill one of the goals of Brazil's Poverty Alleviation Plan, and a demonstration to society the program's results," said Minister Campello.

### **Guaranteed Return to Bolsa Familia**

Also effective today, any individual who has voluntarily withdraws from Bolsa Familia has the opportunity return to the program within 36 months, without the process of new registration. This measure aims to support beneficiaries during the search for new employment opportunities.

"The guaranteed return is one way to encourage families that have seen improvement in their income to voluntarily withdraw from the program, without worry of losing any benefit if they return to a situation of vulnerability. It is a form of support from the federal government to provide better quality of life and access to public policies," said Minister Campello.



**Background on Bolsa Família**

Launched by the federal government of Brazil in 2003, Bolsa Família is a conditional cash transfer program that provides more than 13 million families (around 50 million people) with a monthly cash allowance, provided that they meet certain criteria: the children in the benefiting household are enrolled in school; they receive regular medical vaccination; and women that are pregnant receive full pre-natal care. Based on the family income and the number and age of the children in the benefiting households, families receive from approximately US\$ 18.9 (R\$ 32) to US\$ 181.1 (R\$ 306).

The program supports families living in extreme poverty (income per capita of up to \$US 40/R\$ 70), as well as poor families (income per capita between US\$ 40/R\$ 70 and US\$ 81/R\$ 140).

**Key Data & Facts**

Benefit Categories – September 2011		
Basic	Extremely Poor Families	\$US 40/R\$ 70
Variable	For children up to 15 years of age	US\$ 18.90/R\$ 32 (limited to 5 per family)
Variable (Youth)	Tied to teens aged 16 and 17	US\$22.40/R\$ 38 (limited to 2 per family)

Bolsa Família in Numbers – September 2011	
Beneficiary Families	13,179,472
Value of Transfers	R\$ 1,573,687,473.00
Average Benefit	US\$ 70.4/R\$ 119
2011 Budget	US\$ 9.2 billion/R\$ 15.6 billion

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